

<b>INTERNAL CONTROL QUESTIONNAIRE</b>	<b>YES</b>	<b>NO</b>	<b>NA</b>
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<b>GENERAL OPERATIONS</b>				
1.	Please list the names and titles of the employees in school administration: _____ _____ _____			
2.	Do the business manager's activities involve only keeping the records of receipts and preparing the support for disbursements? For example, does the business manager have access to cash before it is deposited? ____ (should be no) Is the business manager an authorized check signer? ____ (cannot be)			
3.	Are all facilities, particularly the business office, locked when not in use? ____ (yes/no) Describe any security system that is in place. _____			
4.	How often does the Board of Trust Administrators meet (quarterly, monthly)? _____			
5.	What documentation does the Board of Trust Administrators review to assess the financial health of the school? Items should include at a minimum a monthly budget to actual report and consolidated billing statements.			
6.	Do key leaders in the school receive monthly financial reports, including a budget to actual report at a minimum?			
7.	Are tax statements sent to individuals who donate \$250 or more?			
8.	Are receipts or thank-you letters issued for any non-cash donations?			
9.	Is the school free of any legal issues (such as active lawsuits or pending matters that could result in lawsuits)?			
10.	If no, please provide detailed information of all such issues and indicate whether it is settled or ongoing.			
11.	Does the school have a copy of the Diocesan Construction and Renovation Policy?			
12.	Does the school retain records in accordance with diocesan record retention policies and procedures? ___ yes ___no Are records kept in a secured, fireproof safe or filing cabinet? ___yes ___no			
13.	Does the school allow any for profit businesses to provide private or group lessons or other goods or services such as a gift shop on school property? If yes, provide details.			
<b>DEPOSITS</b>				
14.	List the account names and numbers of all checking accounts in the school EIN. Please also indicate who is the check signer on each account: _____ _____ _____			

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15.	Describe the process for handling tuition or fundraising money that comes in the mail or to the office during the week.			
16.	Are parents required to use checks in making their payments or electronic payment through FACTS? ____ yes ____ no			
17.	Are all checks restrictively endorsed using a rubber stamp "Pay to the Order of (Bank name-school name) For Deposit Only and Account Number"?			
18.	If yes, when are the checks restrictively endorsed?			
19.	How often are deposits taken to the bank?			
20.	If funds are held overnight, describe where, who puts the funds in the holding area, and who has access to the funds on hand.			
21.	Who takes the deposit to the bank?			
22.	Is all cash received deposited in the bank without being reduced by disbursements?			
23.	Is cash collected for items held for resale (spirit wear, etc.), field trips, etc.?  If yes, what procedures are in place to ensure that ALL of the cash received from the student makes it to deposit in the bank?  <hr/> <hr/> <hr/> <hr/> <hr/>			
24.	Do <b>all</b> donors receive periodic notices of their contributions <u>at least on an annual basis</u> ?			
25.	Does the school review its temporarily or permanently restricted net asset items on a periodic basis and make adjustments? For example, if a restricted donation was received in the prior year, and the funds are spent for their intended purpose during the current school year, does the school business manager make the proper ledger adjustment to recognize?			
	<b>ASSETS And LIABILITIES</b>			
26.	Is the principal an authorized signer on all of the school accounts?_____ Note that a second signer may be added on a PTG or other similar account, but the principal must be the primary signer. The Business Manager should			

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	NEVER be a check signer. At the least, the pastor that is the Chair of the Board of Trust Administrators must be a signer if only used as a backup.  Does the principal have control of the school volunteer organizations operations and funds? _____			
27.	Are all school savings and investment accounts maintained at the Catholic Institute or Catholic Foundation? (If the school owns any securities, stocks, bonds, CD's or other investments, outside of the Catholic Institute or Catholic Foundation, please answer this question as "NO")			
28.	If no, <u>attach a list</u> to provide the name of the institution where the savings account is held and the account number and list each asset held.			
29.	How is money transferred between bank accounts?			
30.	Are all bank accounts reconciled monthly?			
31.	Are all bank account statements sent directly to the school? This should include PTG, fundraising or similar accounts.			
32.	Are all bank accounts using the EIN of the school included in PDS Ledger?			
33.	Who prepares the reconcilements?			
34.	Are bank statements and canceled checks opened, reviewed and initialed by the principal prior to the reconcilements?			
35.	Are the balances in the checkbook compared to the balances in the General Ledger and reconciled bank statement to ensure they all agree?			
36.	Does the school business manager review the outstanding check list at least annually to try to resolve old, outstanding items? Some items may be easily resolved by contacting the vendor or individual and voiding the original check and reissuing a new one. Payments that cannot be resolved should be escheated to the Commonwealth's Bureau of Unclaimed Property, not restored to cash.			
37.	Does the school utilize online banking?			
38.	<p>If the school uses online banking, are the following controls in place:            Are transfers prohibited to accounts other than those belonging to the school?            Yes _____ No _____</p> <p>Is remote deposit (check scanner) used? Yes _____ No _____ If remote deposit is used, is the deposit prepared by an individual other than the bookkeeper/business manager?</p> <p>If remote deposit is used, are the day's deposit batches balanced to the count sheet(s) and is that documentation maintained?</p> <p>If remote deposit is used, is all cash still taken to the bank within a day?</p> <p>If remote deposit is used, are the physical checks that have been scanned maintained in a safe location? After each audit, the checks should be properly destroyed to protect the donors/parents.</p> <p>Does the school use online bill paying? Yes _____ No _____ If yes, does the principal still initial all of the invoices before they are entered for payment?</p> <p>If using online bill paying, are the invoices marked "PAID" or otherwise cancelled to prevent duplicate payment?</p> <p>If paying bills online, is a report printed for each batch of payments made, similar to a check register that would list the date of payment, vendor paid</p>			

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	and amount?  Does the principal have the invoices in front of him/her as they are approving the bank statement to ensure that each online payment was for approved school bills only?			
39.	List all property owned by the school:			
40.	Does the school have any loans?			
41.	Does the school bill all tuition to all students in July, or at the latest, in September and record the revenue and receivable in PDS at that time?			
42.	Are all families required to be on FACTS for their tuition payments?			
43.	Is the receivable balance per FACTS reconciled at least annually to the Ledger total?			
44.	What collection procedures are in place for students that have balances owed from previous school years and are still enrolled?  _____  _____  _____  _____			
<b>DISBURSEMENTS (OTHER THAN PAYROLL)</b>				
45.	Does the school use any credit cards?			
46.	If yes, is the balance of the card paid in full in each month so that no finance charges are incurred? <u>Attach a listing</u> of all cards held. Include in the listing for each card, the card number, the institution held, and what member of the staff is authorized to use the card.			
47.	If cards are held, describe the procedures to ensure detailed receipts are turned in for each purchase and how use of the card is monitored.			
48.	Describe the process for making purchases.			
49.	Who approves the purchases before the orders are placed?			
50.	How is the invoice identified as being approved for payment (example – principal initials)?			
51.	Were all disbursements, except for minor items, made by sequentially numbered checks?			

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52.	Do you use computer-generated checks?			
53.	Are invoices provided with the checks when they are given to the check signer?			
54.	Do you refrain from signing blank checks?_____ If not, when are they used?			
55.	Are all voided checks defaced and retained with the signature portion cut off?			
56.	Where are voided checks retained?			
57.	Do you refrain from making checks payable to cash? _____ If no, when are they used?			
58.	Where are blank, unused checks kept?			
59.	Is this location secured with a lock?			
60.	Has the school had any expenditures as described under the diocesan construction and renovation policy during the fiscal year under review?			
61.	If yes, please describe the project and amount of the expenditure.			
62.	Was Diocesan approval obtained?			
	<b>PAYROLL</b>			
63.	Describe the process for hiring new personnel.			
64.	Do you check applicant references and previous employment?			
65.	Do you retain personnel files in accordance with the record retention schedule (3 years for applications/7 years for all other payroll or personnel records)?			
66.	Does the school employ any religious employees (i.e. Sisters etc.)?			
67.	If yes, are they paid in accordance with the lay equivalency policy?			
68.	Does the school give cash gifts or gift cards/ certificates or other similar items easily exchanged for cash as extra income? Bonuses, stipends, etc. paid to clergy, employees, independent contractors, and volunteers should be included in pay and W-2 with taxes withheld or 1099, as appropriate.			
	<b>FUNDRAISING</b>			
69.	<u>Attach a list</u> of each fundraising activity (bingo, festival, fundraising dinner, auction, gala, raffle tickets) used by the school on a separate sheet and state the dates of each that the activity was held during the fiscal year. Please also describe the controls over cash at each of these events.			
70.	For games of chance other than bingo, can one individual win only less than \$600 <u>and</u> 300 times the amount of the wager?			
71.	If no (that is, the thresholds listed above can be exceeded), is a W2-G Form issued to the winner and filed with the IRS?			
72.	Is a current small games of chance license maintained?			
73.	If small games of chance are done at the school, is the activity run through a separate bank account that is used for small games of chance only, if this separate account is required?			
74.	Does the school use the SCRIPS program? If yes, please attach a description of the process and controls in place over the program.			

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	<p>Is SCRIP ever sold on “credit”, not paid for at the time of purchase? _____</p> <p>Where is the SCRIP inventory held? _____</p> <p>How often is the SCRIP inventory reconciled? _____</p> <p>Who has access to the SCRIP cards? _____</p> <p>Is the program run by a volunteer? _____</p>			
75.	<p><b>Information Technology Controls</b></p> <p>Does the school have anti-virus, anti-malware, spam filter installed on all devices with updates happening automatically?</p> <p>Automatic updating of the operating system?</p> <p>Does the school have a password policy – (must be strong, not shared and changed at the very minimum once per year)?</p> <p>Are there backups locally, offsite or in the cloud?</p> <p>Are all mobile devices secured with power-on password?</p> <p>Is there a current inventory of devices &amp; infrastructure?</p> <p>Are wireless WPA2 keys used if wireless infrastructure is in place with NO sharing of passwords with non-employee or non-secured devices?</p>			
76.	<p>Does the school use Venmo or other similar app?</p> <p>If yes, please describe the internal controls in place over the app. Specifically, please list each individual that has access to the app. Also, who has administrative rights to make changes to the setup, including who can change the bank account that receives payment within the app? What are the procedures in place to ensure that all deposits received by the app make it to the school bank account?</p>			
	<p>We, the undersigned, hereby certify that the responses provided in this Internal Control Questionnaire provide an accurate representation of the financial operations of our school.</p>			
	<p><b>NOTE: Each signor must sign their name and then print their name on the line beside.</b></p>			
	Chairman of the Board of Trust Administrators			
	Principal			
	Business Manager			
	Date prepared			